GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3047
ANSWERED ON:22.03.2002
COUNTERFEIT CURRENCY NOTES
MINATI SEN

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware about the growing menace of free flow of counterfeit currency notes from across the Indian borders, particularly from Nepal;

(b) if so , the details thereof;

(c) whether this has been result of the bad currency management of Reserve Bank of India; and

(d) if so, the steps taken by the Government to improve the currency management of RBI ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) : Yes, Sir.

(b) Fake Indian Currency Notes (FICN) seized by the Police and recovered by the Banks since 1998 are as follows:

Year	Notes Seized/ Recovered	Number	Value (Rs Lakhs)
1998		46,402	64.97
1999		1,11,969	183.35
2000		2,83,790	594.47
2001	(upto June)	1,21,003	320.82

However, seizures/ recoveries are an insignificant proportion of the total volume of genuine bank notes in circulation

c) : No, Sir.

(d) There is no direct correlation between management of currency by the RBI and FICNHowever, the Government has taken a number of steps to curb the menace of counterfeiting. These, inter-alia, include:

(1) Incorporation of additional security features, particularly in the higher denomination notes.

(2) Publicising security features through the print and electronic media.

(3) Withdrawal of soiled notes from circulation for ensuring clean notes to the public.

(4) Installation of Ultra Violet lamps in the public sector bank branches to enable easy detection of counterfeits